

## **SOUTH DAKOTA COMMISSION ON GAMING RETREAT**

### **MINUTES** August 29, 2011

The South Dakota Commission on Gaming held a Commission Retreat at Cedar Shore Resort at Oacoma, South Dakota on August 29, 2011. Chairman Kemnitz called the meeting to order at 10:00am CDT. Present at the roll call were:

- Commissioner Ralph “Chip” Kemnitz, Chairman, Commissioner Karen Crew, Vice Chairman, Commissioner Karl Fischer, Commissioner Dennis Duncan and Commissioner Harry Christianson. Other persons present were: Larry Eliason, Executive Secretary, Craig Sparrow, Director of Operations and Enforcement, Susan Christian, Operations Manager and Lloyd Just, Racing Steward.

#### **Tribal Activities and Gaming Compacts**

A brief discussion was held on tribal gaming licensing and the role of SDCG staff in the process.

Commissioner Christianson moved to have Commission Attorney Mike Shaw review the wording in the Tribal Gaming Compacts and research the Commission’s recourse if Tribal Commissions license an individual that staff has recommended denial of licensing . Seconded by Commissioner Fischer motion passed unanimously. Executive Secretary Eliason will discuss this with Mr. Shaw.

#### **FY 2011 Racing Season**

Steward Just presented a recap of live horse racing activity for FY 2011 at Ft. Pierre and Aberdeen race tracks. Steward Just also gave a brief recap of the racing officials’ duties.

Executive Secretary Eliason gave an overview of new law changes to horse racing being considered at the national level. These included exchange betting (the ability to sell your “bet” to another individual outside of the pari mutuel pool), multi-jurisdictional offenders and the use of Lasik. No action was taken.

Chairman Kemnitz called for adjournment for lunch at 12:00 pm CDT. Commissioner Fischer moved to recess for lunch. The motion was seconded by Commissioner Duncan and carried unanimously.

Chairman Kemnitz called the meeting to order at 1:00 pm CDT.

### **Sever Based Games and Promotions**

Director of Operations and Enforcement Craig Sparrow presented an update on Server Based Games and the status of the adoption of these rules. No action was taken

Director Sparrow discussed industry standards for slot machines and associated equipment and inquired about the ability to adopt these standards to address them in lieu of adopting new rules as the technology evolves. Director Sparrow was instructed to work with Mike Shaw in developing language that might be acceptable to LRC.

Director Sparrow updated the Commission on the use of Promotional Giveaways and Promo Dollars being used by the industry. No action was taken.

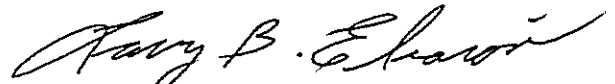
### **Executive Session**

Commissioner Christianson moved to go to Executive Session pursuant to SDCL 42-7B-8.1(5) Commissioner Fisher seconded the motion which carried unanimously.

Commissioner Christianson moved to adjourn and Commissioner Fischer seconded the motion which carried unanimously.



Ralph A. Kemnitz  
Chairman



Larry B. Eliason  
Executive Secretary